



VALUE ADDED TAX ON E-COMMERCE TRANSACTIONS

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ABSTRACT

This study Aimed to analyze the treatment of Value Added Tax on e-commerce transactions. The Data is obtainde from an online buying and selling transactions of one of the online fashion retail stores with brand A. The results of this study was that there was an obligation to pay Value Added Tax on e-commerce transactions, Because basically an e- commerce transaction is not different from conventional transaction there is only Distinguishing trade mechanism. So there is Necessary adjustments to Several parties and co-operation together to implement the Value Added Tax.

Keywords: *Value Added Tax, E-Commerce*

A. INTRODUCTION

Along with the development of technology utilizing the means of internet trading system (interconnection networking) are referred to as e-commerce has changed the face of business in Indonesia. Besides caused by the development of information technology, e-commerce was born on the public demand for the service is quick, easy and practical. Through the Internet, people have a wider latitude in choosing the products (goods and services) that will be used of course with a variety of quality and quantity in accordance with the desired. The impact of the internet as a result of the information technology revolution for consumers on the one hand have changed consumer behavior is becoming increasingly critical and selective in determining which products will be chosen. Consumers have greater access to the various products. Similarly, for the producers, these advances have a positive impact in facilitating the marketing of products so as to cut off the distribution channels which results in cost and time savings, as well as facilitate producers in raising customer database electronically, in addition to other conveniences.

The number of electronic commerce conducted throughout Indonesia of course is a sizeable income figures. In this case, of course, does not rule out the possibility that the results of electronic commerce could be taxed. Various providers (providers) Internet access and telecommunications services also play a role. For example, the telecommunications operator that provides access to communication and internet access, so that the computer and internet users can easily perform online transactions from a mobile device (eg mobile phone, smartphone, tablet) mapun desktop computer and a portable computer (notebook, netbook).



Additional support also came from the banks (both domestic and foreign) and the provider of electronic transaction services. These third party help in the process of online transactions that occur between buyers and sellers online. Let's say that when the process of electronic payments made consumers against bills that amount should be paid based on items taken on line store, by using e-banking services belonging to a bank. Taxes are the dues in the form of money from the people to the State under the Act can be imposed by not receive reciprocal services (contra) directly designated or used to pay for general expenses. Definition of tax under Act No. 6 of 1983 as amended last by Act No. 16 of 2009 on General Provisions and Tax Procedures (hereinafter referred to as the Act CTP) in Article 1, paragraph 1 shall read tax is mandatory contribution to the state owed by private persons or entities that are enforceable under the law, by not getting the rewards directly and used for the purposes of state for the greatest prosperity of the people.

Traders are experts placement time, still no deal-makers who make money because it unites the assets and resources, traders will buy and sell assets and make money from the spread. Traders extroverted will do this where they can influence prices through a strict bidding process. Intervorer traders prefer to trade through the analysis, instead of doing direct deals and are included in this group are many market traders. Entrepreneurs are individuals or entities in any form which in the course of business or work produces goods, imports of goods, export of goods, trade, utilizing the intangible goods from outside the customs area, businessservices or services obtained from outside the customs area. Taxable entrepreneur is the entrepreneur who delivers goods subject to tax and or delivery of services taxable taxed by the Law of Value Added Tax of 1984 and its amendments, not including small businesses which limits stipulated by the finance minister's decision, except for small entrepreneurs who memililih for The taxable strengthen our becoming entrepreneurs.

Income is any additional economic capability received or accrued by the taxpayer, both from Indonesia and outside Indonesia, which can be used for consumption or to increase the wealth of the concerned taxpayer in any form. Tax collection system used in Indonesia can be divided into three (3) system, namely:

1. Official Assessment System

Official Assessment System is a voting system that gave the government (tax authorities) to determine the amount of tax payable by the taxpayer.

Characteristics:

- a. The authority to determine the amount of tax payable is in fiskus.
- b. Taxpayers are passive.
- c. Tax debts arising after the tax assessments issued by the tax authorities.

2. Self Assessment System

Self Assessment System is a system of taxation which authorizes the taxpayer to decide on the amount of tax payable. Characteristics:

- a. The authority to determine the amount of tax payable on the taxpayer's own no.
- b. Passive taxpayers, ranging from counting, deposit and report their own taxes owed.
- c. The tax authorities do not intervene and simply watched.

3. With Holding System

With Holding System is a system of taxation which authorizes the parties to three (3), (instead of the tax authorities and not the taxpayer). To determine the amount of tax payable by the taxpayer.



Taxes in Indonesia adheres to a self-assessment system, where taxpayers are given the trust and responsibility to count, deposit and report tax obligations on a regular basis to the tax office or tax office. Moreover, under Article 1 of Law No. 7 of 1983 on Income Tax as amended most recently by Act No. 36 of 2008, in particular concerning tax subject and object, Indonesia adheres to the principle of domicile as the source and tax system. Directorate General of Taxes, Ministry of Finance said that the e-commerce market developed rapidly in Indonesia, but only a handful of perpetrators of e-commerce that already has a Taxpayer Identification Number. According to data obtained from the Directorate General of Taxes 1,600 sampling (The e-commerce) were tested, of which there are 600 that have not been identified and 1,000 have been identified. Of the 1,000 new businesses 620 (six hundred and twenty) who already have a Taxpayer Identification Number (TIN). Of which already have a Taxpayer Identification Number was largely unknown has been reported but it is appropriate reporting of the facts that occurred at the time of the transaction.

Taxation has not been set up specifically on e-commerce tax. If jelly government of social media sites such as Facebook, Twitter, Instagram and so much potential taxes that could be. If it is able to be extracted by the government, could increase state revenue from the tax sector. However, the current government does not have in which particular rules on the taxation of e-commerce. So that they follow perturan general taxation. Understanding of the taxpayer will be very important in the tax laws in order to sustain revenue penerpannya institutions in order to meet the collective needs. The growth of online commerce in Indonesia provides new challenges, especially in the tax sector, especially the Value Added Tax. Online transactions affect the recognition of the time and place subject to VAT for transactions conducted sellers and buyers can not meet directly. Imposition of VAT is intended for individual or business entity that manufactures or produces taxable goods, import, trade in taxable goods and / or services Taxable within a company or job.

With the development of e-commerce transactions are growing rapidly have a positive impact for businesses or consumers can enjoy a global market without the necessity of a physical presence, but on the other hand can result in negative impacts, especially for developing countries in the form of loss of potential tax revenue. Gains or income derived in an online transaction is usually directly into the seller's account and not reported as income. In fact, if the transfer of taxable goods (BKP) and taxable services (JKP) must take into account the VAT on the transaction. This has implications not their burden to calculate and deposit the VAT. VAT collected from consumers on the consumption of any goods and / or services in the country. In principle, all goods and services subject to VAT, unless stipulated otherwise by law. In Indonesia adopts a single rate for VAT, amounting to 10%. Buying and selling online is not spared from the imposition of VAT and the purchaser as the final consumer is subject to VAT at 10%.

The main legal basis used for the application of VAT in Indonesia is the Law of the Republic of Indonesia Number 8 Year 1983 regarding Value Added Tax on goods and services and Sales Tax on Luxury Goods bebrapa amended by the Law of the Republic of Indonesia Number 42 Year 2009. One disadvantage of VAT is an indirect tax paid by the consumer, so many of certain parties who intentionally did not include the VAT to consumers so that consumers are interested in the rates they offer.



It is very profitable for sellers and extremely detrimental to the country in terms of a decline in foreign exchange is not paid. As affirmed by the tax authorities that the tax treatment of e-commerce transactions together with conventional transactions in general (DGT Circular Letter No.SE-62 / PJ / 2013), but in some cases e-commerce transactions are able to penetrate the geographical boundaries between countries, trade in goods or services that are easily accessible digital format, occurs quickly and worldwide.

E-commerce transactions is an interesting theme to be discussed because of the activities. Changes from offline to online transactions will be difficult to trace, if the Director General of General Tax relying solely on physical or conventional trade. Therefore, the purpose of this study was to determine the value added tax on e-commerce transactions.

1. Value-Added Tax

Value Added Tax (VAT) is a tax levied on value added (value added) resulting from the factors of production were used in each lane of companies preparing, produce, distribute and trade in goods or the provision of services to consumers. VAT including indirect taxes, ie the tax paid by the other parties (vendors) are not a person in taxes or in other words, the insurer tax (final consumers) are not depositing tax borne directly. Mechanism collection, remittance and reporting VAT is on the merchant or manufacturer so that the term Entrepreneur Taxable (PKP). In the calculation of VAT to be paid by the PKP, known as output tax and input tax. VAT output tax is collected when PFM sell their products, while the input tax is the VAT paid when PKP buy, acquire, or make the product. Indonesia adopts a single rate for VAT, amounting to 10 percent. The exit of PMK 210 2018 or less will change the landscape of e-commerce in Indonesia. Most noticeably change may be felt by the e-commerce platform with a Consumer to Consumer category or C2C. Services that function as an intermediary for payment submitted by the organizers of an online marketplace of taxable services (JKP). JKP submission in the customs area or the use of JKP from outside the customs committed in the customs area will be subject to VAT. Just like when the VAT amount payable, tax invoice online marketplace created by the organizers to the merchant's online marketplace.

2. VAT on E-Commerce Transactions and Legal Basis

Imposition of VAT on e-commerce transactions or e-commerce tax listed in Article 1 of the VAT Law, Article 4 paragraph (1) letter c and e, article 11 paragraph (1) and (2), and article 13. Besides listed in the VAT Law, the legal basis on tax e-commerce is also stated in Government Regulation No. 1 Year 2012 Article 6, Article 10, Article 11 and Article 17 paragraph (1), paragraph (5), (6), and (7).

3. Customs

While related to customs duties and the Emergency Government, this provision is aimed on online commerce transactions across the country through the marketplace platform. This transaction is the same as other import transactions, so it must pay attention to the relevant provisions of customs. Meanwhile, the import transaction criteria included in this provision are as follows:



- a. Transactions carried platform providers listed in the Directorate General of Customs and Excise.
- b. Shipping is done through postal organizers.
- c. The transaction has a value of customs Freight on Board (FOB) value of less than US \$ 1,500.

To be registered in DJBC, platform providers for the First of all have to apply for registration to the customs office, by including TIN, number Decree VAT collector, and No. Certificate of Registered as a taxpayer. Once approved, the marketplace platform providers must deliver e-invoices and e-catalog. E-invoice is used for each delivery on goods transactions. Meanwhile, e-catalog should contain information description of goods, the code of goods, categories of goods, specification of goods, prices of goods, the seller's identity and country of origin. Marketplace platform providers are also required to use the scheme Delivered Duty (DDP) and shall menghitung and reporting duties and / or Emergency Government on goods. If the marketplace platform provider can not meet all the regulation requirements, DJBC can freeze the approval of the application. Freezing will be to the marketplace platform providers comply. DJBC can also revoke the approval if:

- 1) Marketplace platform providers do not use DDP scheme within 12 months;
- 2) The business license as a platform provider marketplace expired or revoked;
- 3) Provider marketplace platform proved to have violated;
- 4) Marketplace platform provider to request revocation; or
- 5) Marketplace platform provider declared bankrupt by the commercial court.

Determination of payable VAT on E-Commerce Transactions The services are taxable in the customs area, occur when:

- a) Prices for the delivery of taxable services is recognized as a receivable or income or upon the issuance of sales invoices by employers taxable (PKP). This is in accordance with generally accepted accounting principles and applied consistently.
- b) Contract or agreement signed at the time referred to in the first point, it is unknown.
- c) Payments received before handover JKP in the customs area.
- d) Utilization JKP from outside the customs area, namely on:
 - 1) When the acquisition price JKP expressed as a debt owed by the parties to use it.
 - 2) JKP When replacement is billed by the party handed.
 - 3) When the acquisition is paid entirely or partially JKP which occurred prior to or on the date of signing of the contract or agreement when the use of JKP from outside the customs area as already mentioned above.

4. Process Invoicing VAT Tax on E-Commerce Transactions

When creating a tax invoice for VAT on e-commerce transactions, the same as when taxpayers make tax payable invoices. Tax invoice online marketplace created by the organizers of the online media marketplace to the merchant's online marketplace for submission JKP in the customs area. Whereas, if the use of JKP from outside the customs area in the customs area, then use the Tax Payment (SSP) on the deposit VAT is a document with the position that is equivalent to a tax invoice. SSP tax is made by the online merchant marketplace.

5. Implementation of Income Tax on E-Commerce Transactions

In addition to subject to VAT, e-commerce transactions is also subject to income tax (VAT). In this case, the object of income tax is the sale of goods and/or provision of services. If the income from the sale of goods or provision of services is the object of Income Tax, it is obliged to do withholding. The fares themselves, to the merchant's online marketplace as a seller of goods or a service provider in the online marketplace whose income is not subject to final tax. So dance Tax Article 17 is applied on taxable income calculated from the gross income from sales minus the cost to collect, obtain, and maintain the income as well as for individual taxpayers with taxable income is reduced. The legal basis for the imposition of income tax on e-commerce transactions is the Income Tax Act Article 4 paragraph (1) and (2), Article 15, Article 17, Article 21, Article 22, Article 23 and Article 26.

6. Transactions Online/E-commerce

Online transactions also known as e-commerce because of the process of buying and selling of products, services and information that will be conducted electronically by using computer networks. e-commerce also implies a deployment, marketing services over electronic systems such as the Internet or other computer networks. E-commerce can involve electronic funds transfer, automated inventory management systems and automated data collection systems. The following will be presented understanding of e-commerce, according to experts:

- a. Electronic trading is also known e-commerce, is the use of communication and computer networks to implement business processes. The popular view of e-commerce is the use of the internet and a computer with a Web browser to buy and sell products.
- b. E-commerceor short for electronic commerce (e-commerce), is a business transaction that occurs in the electronic networks such as the Internet. Anyone who can access a computer, has a connection to the internet, and have a way to pay for goods or services they buy, can participate in e-commerce.
- c. Definition of electronic e-commerce is the buying, selling and marketing goods and services through electronic systems. Such as radio, television and computer networks or the Internet. So understanding of e-commerce is the process of buying and selling transactions conducted via the Internet where the website is used as a container to carry out the process.

7. Types of E-commerce

E-commerce divided into several types based on their characteristics, namely:

- a. Business to Business (B2B) Business Businesssto have these characteristics:
 - 1) Trading partnerswho already know each other and between those already established a relationship that lasted long enough. Information held only exchanged with the partner.
 - 2) Data exchange is done repeatedly and periodically with the data format has been agreed.
 - 3) One of the actors do not have to wait for the rest of their colleagues to send data.
 - 4) Commonly used model is peer to peer, in which the processing intelligence can be distributed across both businesses.



b. Business to Consumer (B2C), Business to Consumer has the following characteristics:

- 1) Open to the public, where information is distributed common secara puladan freely accessible.
- 2) A service that is used very general and can be used by many people. For example, for web systems in general use, the service provided with web-based.
- 3) Used services on request. Manufacturers must be ready to respond in accordance with consumer demand.
- 4) Frequent system client-server approach.

c. Consumer to Consumer (C2C)

In a C2C consumers can sell their goods directly to other consumers, or can be referred to those who sell products and services to each other. An example is when there are individuals who make sales in classified ads (for example, www.classified2000.com) and selling property residential homes, cars, and so on. Advertise their services on the internet and sell knowledge and expertise is another example of C2C. a number of auction sites allow individuals to post items to be included in the auction. Finally, many individuals are using the intranet and the organization's network to advertise items for sale or also offers a variety of services. Another famous example is eBay.com, the auction company.

d. Customer to Business (B2C)

Customer to Business is a business model in which consumers (individuals) create value, and the company taking this value. For example, when a consumer writes a review, or when consumers provide useful ideas for the development of new products, then this individual is what creates value for the company, if the company adopts its input. For example, Priceline.com is a site that allows someone to sell goods to the company. In this case, the Internet can be used as a means of negotiation.

8. Benefits of E-Commerce

The benefits in using e-commerce in a business enterprise as a transaction system are:

- a. May increase market exposure (market share), online transactions that make everyone in the world can order and buy the products that are sold only through computer media and is not limited to the distance and time.
- b. Lower operating costs (operating costs) e-commerce transactions are transactions that most of its operations are programmed in the computer so that costs such as showroom, excessive salaries, and others did not need to happen.
- c. Thus widening (global reach), Online transactions can be accessed by everyone in the world is not limited to space and time because everyone can access only by using an intermediary computer media.
- d. Improve customer loyalty, This is because e-commerce transaction system to provide complete information and the information is accessible at any time other than that in terms of purchasing also be made at any time and even consumers can choose their own products he wants.
- e. Improving supply management, E-commerce transactions cause pengefisienan operational costs on companies, especially in the number of employees and the number of stocks available so as to further enhance the cost pengefisienan then a good supply management system must be improved.



And the benefits of e-commerce for customers that allows customers to shop or conduct transactions 24 hours a day from virtually any location where the consumer is located. Customers can also have a lot of choice items to be purchased at the time of visiting the site and do price comparisons with other companies. At the time of buying goods online, customers do not need to queue up to get the goods. A brief description of the advantages of e-commerce as follows:

- 1) For consumers: lower prices, spending enough in one place.
- 2) For managers: efficiency, without error, and timely.

9. Issues in Implementation of E-Commerce

The lack of a high-trust society or a high level of trust towards online shopping sites that exist. This is because there are many frauds occur when consumers shop online. In general, the price is not negotiable. Unlike traditional market transaction process through the bargaining process. Still very little human resources who understand and master properly the concept and implementation of e-commerce technology. Posmasih delivery services need improvement, so that the delivery process is not too long until the pembeliatau hands of consumers.

10. Principles of Taxation of E-Commerce

Five principles of taxation of e-commerce that the assessment for the regulation of e-commerce transactions according to the Way (2007), quoted from OECD (2000) in a report prepared by the Committee of Fiscal Affairs include:

- a. Neutrality, tax provisions should be neutral for all forms of trafficking, both electronic and traditional;
- b. Efficiency, the cost of such compliance costs for taxpayers and administrative costs for the Directorate General of Taxation should be completely minimized;
- c. Certainty and simplicity, tax regulations must be clear and easy to understand so that taxpayers know the tax when the transaction is done;
- d. Effectiveness and Fairness, the tax calculation must be really right at the right time;
- e. Flexible, the tax system must be flexible and dynamic to ensure that the system can keep up with technology and trade. Conditions set by the OECD countries agreed that the collection of income tax on e-commerce transactions that have permanent establishments using the principle source, if it does not have a permanent then use the principle of domicile.

B. METHODS

This research is a descriptive qualitative research. Qualitative research is research that produces descriptive data in the form of words written or spoken of people and behaviors that can be observed. This qualitative research using case study research design on online transactions. This research was conducted by collecting data as required by the researcher. Descriptive data are collected in the form of words, pictures, and not numbers. In this study, will be analyzed how each of the steps of VAT collection transactions online, whether it is in accordance with the procedure or not, then be compared with the reality that happened, in the form of interviews with users of online transactions has become PKP or not. Other than that, The type of data in this study is qualitative data, where the data is presented in the form of words which implies that the form of data that is processed through the interview and explanation



of the sale and purchase transactions online and from the evidence of users online transactions such as proof of the transaction , sales invoices and proof of delivery.

The data used in this study came from internal sources that the data obtained from direct interviews with users of online transactions either sellers or buyers. In addition, the data obtained by the data or evidence or reports from users buying or selling online is proof of transactions such as sales invoices and bank transfer slip, slip proof delivery via courier service such as JNE, TIKI, or via POS as well as evidence of a memorandum of returns (if any goods are returned). The unit of analysis in this study is the calculation of VAT on online transactions is seen by the VAT Law. Documentation of data collection is done with that form of data collection through the copying of documents / evidence / statements that existed during online transactions that can strengthen the results of this study.

C. RESEARCH FINDING

The online store A is a shopping website that provides the needs of fashion apparel and beauty to men and women consist of products of various brands, both locally and internationally. At first, this online shopping site based in Singapore. The online store A has subsidiaries in several countries, such as Indonesia, Malaysia, Singapore, Vietnam, Taiwan, Hong Kong, Thailand, and the Philippines. A online shop selling fashion products and international brands and local brands in every country that it operates. A online store also operates in Australia and New Zealand as The Iconic. A online store is one of the major investment in Singapore Rocket Internet. The online store A is a subsidiary of the online shopping sites Z. Z is a project of Rocket Internet. A Indonesian online store founded in 2012. Today, the online shop A Indonesia is an online retailer of fashion with the fastest growth in Asia. Situs in each country to make sure that the fashion product tailored to the tastes of each country and adapt their preferences. With a selection of 500 international and local brands, we bring fashion into a dimension that is better than ever.

A online store offers women's clothing, men's clothing, accessories and sports equipment, and many lagi. Hal Muslim fashion that makes the online store A to store the main purpose of online fashion in Indonesia. In just a few years, online stores have revolutionized scheme A mode in Asia, starting from your shopping habits to form your personal style. More than 30. 000 online products and hundreds of new products every week. A satisfactory online store customers to shop without a minimum order. Goods traded by the online store A is always different. A online store offers for your return (the return) if there are defects or damage to the products purchased by consumers. This online store provides easy access 24 hours a day, seven (7) days a week. The online store has a team of Customer Service A reliable and trustworthy are always ready to assist the buyer, because the online shop A priority is comfort and convenience of shopping for buyer satisfaction. At first online store A only do promotion online through google, facebook, and twitter. With progress being made by members of the team, now online A shop can be accessed via all kinds of communication devices such as computers, laptops, tablets and mobile phones. The online store A security guarantee to process payment via bank transfer, credit card and provide the facility of COD (Cash On Delivery). A online shop also guarantee the security of the data inputted by the purchaser. Products offered include clothing, shoes,



A online shop also gives a discount voucher of Rp 75,000.00 granted to buyers of new and given to buyers who have not shopped to shop again. A online shop only becomes a container for promotional products fashion fashion businesses (vendors). Vendors can entrust their products to the online store A A. The online store which will include pictures of the product into websites. If the goods are entrusted by the vendor still has not been sold to limit the period of time the sale is for 1 (one) month, then the item will be stored in an online store warehouse A. These items will be re-issued when there are events or special day with a special price. Of course, the price offered is not as big as the initial price given. Of prices given by the vendor, online shop A VAT of 10 percent. Paying VAT is a party online stores for online stores A levy VAT from the buyer based on the price specified by the vendor. A online shop also facilitates the business of fashion (vendor) who had to be able to reach a wider market. By working together, the business gets a huge marketing network, to create a storefront and prices in accordance with the desire, can control the price, making the content shop and supervise the performance of the sales of the shop. Only by registering a company name, name, email address, phone number and website of the store. A online shop will be contacted within seven (7) days. After receiving approval from the online store A, the vendor can manage the store in accordance with the wishes, include a photo of the product (along with price, product number and description of the item in the website given to the online store A), if there are products sold by vendors will get a confirmation that the vendors submit their products to buyers. All activities and VAT collected to the buyer is done by the vendors themselves, online shop A only, helps to expand marketing network.

D. DISCUSSION

1. Policy Theory

Policy is a series of concepts and principles are an outline and basic plans in the execution of the work, leadership in government or organization statement ideals, goals or intentions principles as guidelines in achieving the target. So that the policy is a series of concepts that can be written and the basic rules of the plan as a guideline role in achieving the target. Public policy is whatever the government choice to do or not do something. From these definitions it can be concluded that the government's right to choose the rules to be made where such rules are required to be implemented. Therefore, decisions decisions made should prioritize the interest of the people. Tax policy is one of the forms of state policy in the field of taxation. Tax policy is divided into two meanings, that is based on a broad sense and narrow sense. Tax policy in the broad sense is to influence policy masyarakat production, employment, and inflation, using the instrument of tax collection and expenditure. While understanding the tax policy in the narrow sense is the policy relating to the determination of anyone who would be taxed, what will be the basis of taxation, how to calculate the amount of tax to be paid and how the manner of payment of taxes owed. To make the fiscal policy should be based on who will be taxed, what will be the basis of taxation, how to calculate the amount of tax to be paid, and how the procedure for payment of tax due. Examples of this tax policy, for example, provisions on the permissibility of the use of the norm calculating net income or in the literature referred to as the presumptive tax or deemed profit.



2. Subject VAT on E-commerce Transactions

The online store A is a shopping website that provides fashion needs of clothing consisting of products of various brands, both locally and internationally. At first, this online shopping site is one branch of the largest online stores in Europe. The online store A has subsidiaries in eight countries, such as Indonesia, Malaysia, Singapore, Vietnam, Taiwan, Hong Kong, Thailand, and the Philippines.

A online shop in Indonesia established since February 2012. Of the original online store A has only 10 members of the team, now has more than 200 employees and has a distribution center in East Jakarta area of 5.000m². This online store has taken delivery throughout Indonesia from Banda Aceh to Sorong, Papua. This online store also has more than 500 fashion and lifestyle brand both locally renowned international maupn.

3. The Object of VAT in Online Transactions

Under the VAT law which regulates the tax object above, do not set up to deal with the online form. But it does not make online transactions exempted or not VAT is payable. Therefore, online transactions conducted by Shop A including transactions subject to VAT for goods sold by the store A is the taxable goods (BKP) tangible form of shoes, clothes, muslim clothing, bags, accessories, batik and sports and beauty products as well as the transactions carried out by Shop A made or used or consumed within the customs area.

4. Tax Base

During this time the Tax Directorate also observe the development of e-commerce that occurred in Indonesia. Society thinks that there is no tax on e-commerce transactions, although in principle there is no difference between the sale and purchase transactions in e-commerce with trading transaction conventionally. Both are to be taxed in accordance with applicable regulations. To that end, the Tax Directorate finally give an affirmation, e-commerce actors must also fulfill the tax obligations through the issuance of the SE-62. The regulation essentially affirms that each person who receives income above a certain threshold, it should be taxed, especially if the goods bought and sold are included the type of taxable goods/services Taxable (BKP/JKP). In order not to overload the e-commerce company that is pioneering (startup), the new Income Tax revenue collected if the value exceeds 4.8 billion or above the exemption limit (taxable income) for Micro, Small and Medium Enterprises (SMEs). In addition, the amount of taxes paid to the state still adheres to the reporting system independent (self-assessment). For entrepreneurs and business people in the field of e-commerce that have qualified as a Taxpayer (WP), must register with the tax office whose jurisdiction covers the place of residence or domicile to obtain a TIN.

In accordance with Regulation Taxation Treatment for e-commerce as outlined in the Minister of Finance (PMK) No. 210/PMK.010/2018. One arranged in this PMK is the obligation of merchants and service providers who sell through Platform Marketplace to have a Taxpayer Identification Number (TIN). Until recently many ecommerce entrepreneurs already qualify as taxpayer, but not yet enrolled. According to data from the DGT 1,600 sampling (The e-commerce) were tested, of which there are 600 that have not been identified and 1,000 already teridentifikasi. Of the

1,000 new businesses that own 620 Taxpayer Identification Number (TIN), of which already have a TIN was largely unknown has been reported but it is appropriate reporting of the facts that occurred when transacting. The data proves there are still many taxpayers e-commerce actors who do not comply. Once registered as a taxpayer, e-commerce entrepreneurs are required to record operasionalnnya activities in the form of recording or bookkeeping so that it can be seen the amount of circulation of business (turnover) and net profits as the basis for calculating income tax payable in a tax year. Business operators or private persons, are entitled to a reduction in the form of non-taxable income (taxable income) in the calculation of taxable income pajaknnya. Under the VAT Law Article 1 number 17, Shop A make delivery or sale of taxable goods to the buyer. Therefore, the DPP to calculate the amount of VAT based on the amount of the selling price and the results included a tax cut at the time of confirmation of payment and sales invoices.

5. Calculation of VAT

Based on the theory of calculation of VAT, Shop A calculate the amount of VAT by multiplying the amount of the selling price with VAT rate of 10 percent. In the booking confirmation are a total of sandals before deduction of VAT and VAT collected from the buyer of 10 percent. VAT Repayment is done after the store A provides confirmation of payment to the buyer after the buyer made a payment with VAT. Payment can be made by cash payment (cash), credit card and bank transfer.

6. Booking Confirmation Image

a. When Payable VAT

Based on the interview with the online store A currently subject to VAT at the time of submission of BKP to transaction cash on delivery or when the payment is received by the store on the purchase of taxable goods to a non-cash transaction delivery.

b. VAT Invoice in Online Transactions

The problems that arise when online transactions occur in the absence of face-to-face between the seller and the buyer. All processing is done online trading. Although the transactions carried out by A online shop, shop A provide evidence in writing to the purchaser, the proof is the sales invoice. The sales invoice is made after the buyer has made payment to a store before the store A sends goods or delivery of goods. The sales invoice was issued to a buyer (consumer end) along with the goods.

c. Figure Invoice Booking

Sales invoices provided to all purchasers (final consumers) along with the goods shipped.

E. CONCLUSIONS AND RECOMMENDATIONS

From the research that has been, it can be concluded:

1. The development of online transactions, provide positive impacts and negative impacts. The positive impact for businesses as well as consumers can enjoy a global market without the need for physical presence. Meanwhile, the negative impact of potential tax revenue is lost. The cause of the potential loss due to the imposition of VAT on e-commerce transactions up to date can not be applied properly.



2. The imposition of VAT procedures that can be applied on online transactions in Indonesia is basically the same with the systems and procedures over conventional transactions.
3. There are many online transaction businesses that do not deduct VAT on the amount of value given to the consumer. Based on the above conclusions, the advice that can be given is to prevent potential losses that are longer, the DGT must educate more people about the taxation of online transactions, the DGT should create rights and obligations in a balanced manner when online businesses applying VAT in business, DGT should provide sanctions firm to businesses who conduct online transactions if not levy VAT to the purchaser.

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